

MEMORANDUM FOR: DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE
SUBJECT: Fiscal Procedures

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1. I understand that in a recent conversation between Lieutenant Colonel [redacted] and yourself, he brought to your attention certain aspects of our accounting and control procedures which appear to be unduly and oppressively technical and bureaucratic and also to create security hazards which, under certain circumstances, could assume serious proportions. I further understand that you indicated a desire to be furnished with a statement from me on the basis of which you might cause an examination of these procedures to be made with a view to simplifying them and eliminating certain objectionable features.

2. In reviewing this matter with members of my staff, I find that substantial progress is already being made in that direction and several of the current developments are listed below:

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a. For the past two months, this office has been participating in a "Senior Review Committee" under the chairmanship of Mr. [redacted] to consider and take remedial action on this entire problem.

b. The "Senior Review Committee" appointed a temporary (but full time) Task Group to thoroughly investigate this field and make specific recommendations. The three members of this Task Group have had several years of experience in covert administration and are sympathetic toward the operational point of view.

c. OPC has recently designated Messrs. [redacted] (Operational Cover and Security) and [redacted] (Budget and Finance) to assist the Task Group by outlining OPC operational standards and requirements.

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d. Pursuant to arrangements made personally by the Director, representatives of [redacted] and [redacted] (public accountants) are reviewing the fiscal policies and procedures of CIA to determine their adequacy

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and make

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and make recommendations for improvement. OPC participated in briefing these representatives prior to their undertaking the assignment and is continuing to follow developments through the Deputy Comptroller.

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3. In view of the above activity, I am asking Lieutenant Colonel [REDACTED] to review his case with the Task Group and also with the representatives of [REDACTED] if, upon further investigation, that seems to be appropriate.

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4. I am furnishing a copy of this memorandum to Mr. [REDACTED] via Mr. Wolf.

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[REDACTED] 25X1A9a

Assistant Director for
Policy Coordination

Distribution:

Addressee (2)
FE Division (Col. [REDACTED])
Special Task Group (Attn. Mr. [REDACTED])
BD
OD/OP (Mr. [REDACTED])
SD/RE
CAL Chrono
ADD (Admin.)

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CAL/EJG/rml
10 April 51

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